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What Works in Participatory Budgeting: Taking stock and thinking ahead

WWS is a research collaboration funded by the ESRC and the Scottish Government led by the Universities of Glasgow and Edinburgh. It involves academics working with key partners and stakeholders as part of a significant three year programme of research and development activity

We work collaboratively to:

1. **Mobilise evidence** for public service reform
2. Implement **collaborative** public service reform
3. Support public service reform through **community empowerment**

In order to improve outcomes and life chances for the people of Scotland.

This paper presents findings and reflections from ongoing research in the WWS Participatory Budgeting programme, and signposts future directions for inquiry and practice.

Key Points

- Participatory Budgeting (PB) is a democratic innovation that is becoming central to community empowerment and public service reform in Scotland.
- WWS has developed a programme, including research and capacity building activities, to generate insight and inform the strategic and operational leadership and delivery of PB.
- WWS has reviewed available evidence on the 1st Generation of PB in Scotland (58 cases). This grassroots growth within Scotland's communities has been accelerated by increasing political, legislative and policy support.
- These developments point towards the 'mainstreaming' of PB, moving beyond the community grant-making model that has been predominant, and opening up space for more complex models that involve mainstream public budgets.
- For PB to make a substantial difference in the lives of citizens and communities, democratic innovators across Scotland will have to overcome a range of challenges related to culture, capacity, politics, legitimacy and sustainability.
- WWS has highlighted various areas for improvement in 2nd Generation PB, including the need to increase the deliberative quality of PB processes and their focus on tackling inequalities. The transformative potential of PB depends to a great extent on those two dimensions.

Introduction

Participatory Budgeting (PB) is a process that involves citizens in deciding collectively how to spend public money. This democratic innovation originated from blending two policy agendas, namely: community empowerment and social justice. In three decades, PB has gone from a local innovation in Brazil to a global movement with thousands of processes around the world. Scotland has recently become fertile ground for PB initiatives, with support across communities and the public and third sectors. WWS is playing a central role in informing the development of PB nationally and locally.

The WWS Participatory Budgeting programme

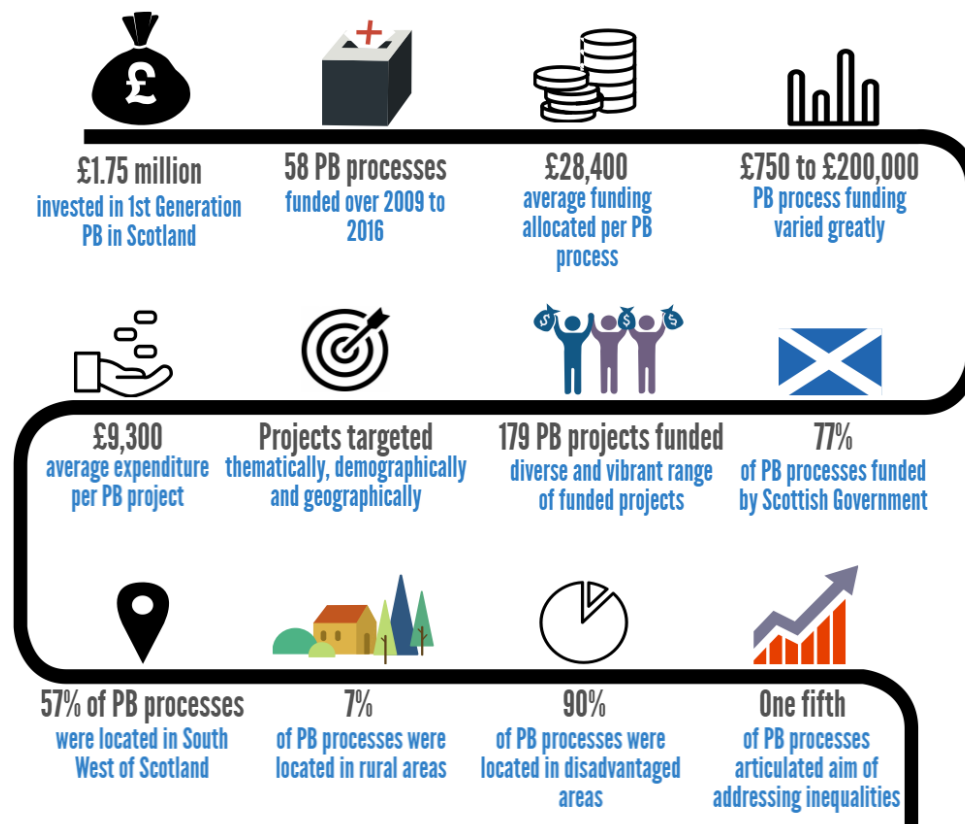
WWS leads a wide-ranging PB programme to provide research and advice, and support learning and capacity building through ongoing activities including:

- Reviewing international literature to provide strategic and operational guidance, as well as reviewing evidence about PB cases in Scotland (in collaboration with the Glasgow Centre for Population Health).
- Documenting the history of PB in Scotland, including political, legislative and policy developments.
- Delivering seminars and workshops across Scotland (e.g. Highlands, Moray, Aberdeenshire, Clackmannanshire, Glasgow, Edinburgh)
- Contributing expertise to Scottish Government policy making and capacity building (i.e. PB Working Group since 2014; advice on Community Empowerment Act)
- Working with Glasgow's Community Planning Partnership to develop and test a bespoke PB evaluation framework
- Organising international peer-learning exchanges for Community Planning partners and researchers (i.e. study visit to Paris, largest PB in Europe)

The 1st Generation of PB in Scotland

PB has spread in Scotland from a handful cases before 2010 to at least 58 processes having taken place by 2016. Grassroots growth within Scotland's communities has been accelerated by increasing political, legislative and policy support. WWS has reviewed evidence from PB processes organised up until June 2016, the '1st Generation of PB in Scotland'. Most early cases emerged where there were local champions, appropriate support and opportunities, and the process fitted well with specific funding schemes, local plans and community priorities and concerns. The WWS survey of Community Planning Officials shows that 55% of respondents have been involved in organising PB, which illustrates the spread of PB schemes in Community Planning. Below follows a summary of key findings and recommendations from the review.

Figure 1. Overview of 1st Generation Participatory Budgeting in Scotland



Please note: all data presented in this info-graphic are estimates only, and based on incomplete information. Please see the Review Findings section of this report for details of missing data.

Review highlights

- At least £1.75 million has been invested across 58 PB processes in Scotland to date. Information about funding sources is available for 30 of the 58 cases. The Scottish Government funded 23 of them (77% of cases where funding source could be determined).
- Participatory budgets ranged from £750 to £200,000, the average expenditure being £28,400 per PB process. Smaller budgets were not necessarily indicative of lesser PB processes or diminished potential impacts for participants.
- At least 179 individual projects have been funded via PB, allocating on average £9,300 per project. The projects reflect a mix of prioritised demographic groups and thematic issues as well as support for a range of geographically defined facilities, projects and local community representation groups (e.g. community councils).
- 57% of PB processes have taken place within the South West of Scotland including Glasgow City and surrounding Local Authority Areas. Only 7% of PB processes were located in rural areas.
- Where geographical information was available (30 cases), 90% of PB processes were located within disadvantaged areas (lowest quintile in the Scottish Index of Multiple Deprivation), yet only one fifth stated the explicit goal of addressing inequalities.

- There is a lack of information and evaluation across the 1st Generation of PB in Scotland, making accurate accounts of PB processes, and assessment of project impacts, very challenging.

Review recommendations: Towards 2nd Generation PB

- The national policy drive associated with the transition into 2nd Generation PB in Scotland should not undermine what must become an enduring focus on local context involving PB approaches tailored to community contexts and priorities.
- The depth to which PB should be implemented across Scotland (i.e. from grant-making to mainstream budgets), and the impacts expected in tackling inequalities and improving public services, must remain central points in policy discussions in order to frame and clarify the scale and ambition of 2nd Generation PB in Scotland.
- Rural areas appear underserved by the 1st Generation of PB and attempts should be made to redress this within the emerging 2nd Generation.
- PB test-sites (e.g. involving mainstream budgets) should be established across different geographies and thematic priorities; these test-sites should be supported through robust evaluation over time, the learning from which could be disseminated through a national PB network and inform future policy on PB.
- Opportunities for meaningful dialogue and robust deliberation between citizens, civil society organisations, elected representatives and public authorities should feature more prominently in the design and implementation of PB processes, and thus become a key component in the evaluation of the democratic quality of PB.
- There is little evidence of the use of digital engagement platforms to support PB processes, moving forward this is an area worth exploring and expanding within 2nd Generation PB.
- Evaluation within the 2nd Generation of PB should involve developing theories of change, including paying attention to impacts resulting from both PB processes and the resultant funded projects.
- Assessing the future success of PB in Scotland must entail examining what PB does for people and communities, as well as for the democratic system that binds them together.

Challenges in the spread and sustainability of PB

WWS guidance on strategic choices for PB organisers (see Harkins & Escobar 2015) draws on national and international evidence, but argues that this is not a matter of importing ‘off the shelf’ models. The metaphor here is not ‘transplanting’ but translating and adapting key design choices and principles so that PB can work in local contexts. Mainstreaming PB will not be a straightforward process and may take years to develop and bed in. There are important considerations in terms of sustainability and how to create a stable framework for a PB process to become established and effective. Core challenges include:

- **Cultural challenges:** PB requires reshaping mind-sets and ways of working, so that collaborative decision-making and participatory democracy can take hold. This requires learning and commitment from public and third sector organisations, elected representatives, community groups and citizens. New forms of ‘facilitative leadership’ are also necessary –i.e. the ability to

bring people together across divides in order to engage in collective problem-solving, deliberative decision-making and creative co-production.

- **Capacity challenges:** PB requires a range of skills including process design, organisation, coordination, knowledge brokering, communication, mediation and facilitation. It also takes local knowledge and the necessary know-how to build trust, negotiate competing agendas and create spaces for meaningful dialogue and deliberation.
- **Political challenges:** PB can bring a new type of participatory politics that may clash with established relationships and dynamics, and challenge the status quo of existing organised interests in a particular community. It can also clash with party politics and electoral dynamics, and it may be difficult to build the cross-party support that can give PB a stable framework for long-term development.
- **Legitimacy challenges:** As with any public participation process, there is the risk of tokenism by which PB may become a symbolic rather substantial opportunity for community empowerment. In the current financial context, there is also the risk of using PB for administering spending cuts, and this may undermine its perceived legitimacy. Moreover, PB that fails to mobilise substantial resources to address community problems and priorities may be seen as a distraction from other initiatives, thus losing support from people who want to make a difference in their communities. Consequently, PB must be worth people's effort, time and commitment.
- **Sustainability challenges:** All of the above suggests that PB requires sustainable funding, long-term commitment, on-going learning and adaptation and perhaps institutional reform. Accordingly, it can take years to bed it in and make it work effectively.

Thinking ahead: Increasing deliberation, decreasing inequalities

The 1st Generation of PB in Scotland has been dominated by one model, namely, community grant-making. However, current legislative, policy and funding developments suggest that 2nd Generation PB may also enable citizen participation in decisions about mainstream budgets and services. This will require commitment by democratic innovators across the country in order to reinvent the relationship between citizens, public services and elected representatives. It may also have implications for arrangements in governance, procurement, budgeting and administration, which should be considered in forthcoming local government reform.

WWS has also highlighted the predominance of 'aggregative' models of PB, where voting takes place without prior substantial dialogue and deliberation about evidence, issues, priorities, aspirations and trade-offs. In contrast, 'deliberative' models can increase the democratic quality of PB by allowing exploration, discovery, learning and scrutiny, which in turn produces more robust, informed and considered decision-making. When PB provides spaces for dialogue and deliberation between citizens, elected representatives, civil society actors and public authorities, it creates opportunities for collective reflection, innovation and action. Deliberative quality is important regardless of the PB model, but arguably more so if 2nd Generation PB is to include mainstream budgets and services.

1st Generation processes often had an inequalities focus in terms of using PB to engage disadvantaged communities in a local grant-making process and to fund predominantly small scale, short-term projects. The main impacts of this PB model typically relate to increasing participants' confidence and social connections, as well some immediate local benefits resulting from the funded projects. If 2nd Generation PB in Scotland is 'mainstreamed' in a fashion similar to Brazil (i.e. explicit social justice agenda), this means a fundamental shift in how public services are delivered. PB in this form may entail structural and governance changes and redistribution of public resources to disadvantaged regions and communities, alongside tailoring service delivery based on community priorities and contexts. This system-wide approach to PB is long-term and arguably more likely to foster the reduction of social and health inequalities in terms of life-course outcomes for disadvantaged communities.

PB has become one of the most popular democratic innovations of the last three decades partly due to its impact in tackling inequalities, solving local problems and increasing civic engagement in Brazilian localities. Its impact in other countries has been less impressive but nonetheless significant. Scotland is at the start of its PB journey, which may lead in various directions. The next few years offer the opportunity to investigate the social and democratic goods generated by PB in the medium and long term (i.e. most effective models of PB, impact on institutions and public services, outcomes for citizens and communities). The remainder of the WWS programme will continue to provide evidence, guidance and capacity building to inform the development of PB.

Useful resources

Harkins, C. and O. Escobar (2015) [*Participatory Budgeting in Scotland: An overview of strategic design choices and principles for effective delivery*](#). Glasgow Centre for Population Health and What Works Scotland.

Harkins, C., Moore, K. and Escobar O. (2016) [*Review of 1st Generation Participatory Budgeting in Scotland*](#). What Works Scotland.

Improvement Service (2015) [*Elected Member Briefing Note: Participatory Budgeting. The Improvement Service*](#). PB Partners, PB Network and The Scottish Government.

PB Partners (2016) [*Mainstreaming Participatory Budgeting: Ideas for delivering Participatory Budgeting at scale*](#). PB Network, PB Partners and The Scottish Government.

PB Partners (2016) [*Grant making through Participatory Budgeting: A 'How to' guide for community led organisations and community engagement workers*](#). The Scottish Government.

PB Scotland website: <https://pbscotland.scot/resources>